

FISCAL NOTE
SB 666 - HB 698

March 10, 2007

SUMMARY OF BILL: Specifies that municipalities contracting for the operation of surveillance cameras for the purpose of monitoring traffic violations at intersections controlled by traffic signals cannot share revenues from fines associated with such surveillance. Additionally, the bill would require that any intersection monitored in such a manner must set the yellow or caution signal to remain yellow for at least five seconds.

ESTIMATED FISCAL IMPACT:

Decrease Local Govt. Revenues – Exceeds \$100,000

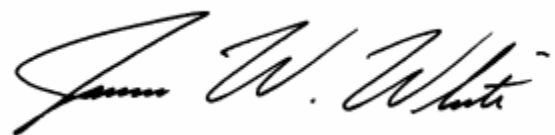
Other Fiscal Impact – Local governments would see a decrease in the revenues shared with such companies if they were prohibited from such agreements. The amount of revenue shared by local governments with such companies is estimated to exceed \$100,000.

Assumptions:

- According to the Office of the Comptroller of the Treasury, most local governments could not afford the start-up costs associated with installing such systems. Therefore, without the revenue sharing provisions included in the contracts, most local governments would not be able to install the systems.
- The vast majority of the citations issued in association with the surveillance systems would not be issued in the absence of the systems.
- The City of Gallatin has three such cameras installed and their revenue sharing agreement with the contractor provides for the contractor to retain approximately 55% of the revenue derived from citations issued as a result of surveillance. The first three months of operation resulted in approximately \$50,000 in revenue to the city.
- There would be a decrease in local government revenues associated with the collection of fewer fines for traffic violations. Such decrease is estimated to exceed \$100,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director